

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO**

ALYSSA CARTON,

Plaintiff,

v.

Cause No. 1:17-cv-00037-KG-SCY

CARROLL VENTURES INC.,

Defendant.

**NOTICE OF CONTRACT BETWEEN PLAINTIFF  
AND LITIGATION MANAGEMENT SERVICES**

As it is related to the issues that were raised in the second hearing on the Court's Order to Show Cause why these cases are not malicious and frivolous, held on May 11, 2017, Defendants Carroll Ventures, Inc., (cause number 1:17-cv-00037-KK-SCY), B + H Investments, LLC, (cause number 1:17-cv-00153-WPL-KK), Westland Properties (cause number 1:17-cv-00084-SCY-KBM), and M & E New Mexico Property, LLC (cause number 1:17-cv-00161-LF-KBM), by and through their attorneys, Modrall Sperling (Anna E. Indahl) as well as Leland and Monette Sedberry (cause number 1:17-cv-00160-GJF-LF), and Eubank 3801, LLC (cause number 1:17-cv-00301-KK-WPL) by and through their attorneys Foster, Rieder & Jackson, P.C. (Geoffrey Rieder) hereby submit the following Notice, which may be useful to the Court's analysis of whether to release of Plaintiff's contractual arrangement with Litigation Management Services, as well as to the release of Plaintiff's counsel's contractual arrangement with Litigation Management Services, and the contractual arrangement between Plaintiff and Plaintiff's counsel. The Court may take judicial notice of these facts pursuant to Fed.R.Evid. 201.

On May 8, 2017, Plaintiff supplied a news reporter in Phoenix, Arizona with a copy of her contract with Litigation Management and Financial Services, LLC ("Litigation Funding

Agreement”). *See* correspondence between Alyssa Carton and Dave Biscobing<sup>1</sup>, dated May 8, 2017 attached hereto as Exhibit A (under seal).<sup>2</sup> The Litigation Funding Agreement was originally sent to Plaintiff on November 1, 2016 from a woman with an email address ending in “@aid.org.” *See* Exhibit A. As of April 21, 2017, that same individual had an email address ending in “@litmanco.com.” *See* Exhibit A.

By voluntarily sending a copy of her Litigation Funding Agreement to a *news reporter*, *for which there was no reasonable expectation of confidentiality*, Plaintiff has waived any argument as to the confidentiality of the Litigation Funding Agreement. Moreover, since the substance of the Litigation Funding Agreement references and is predicated on the terms of the contract between Plaintiff’s counsel and Litigation Management and Financial Services, LLC and the contract between Plaintiff and her counsel, any argument as to the confidentiality of those documents has also been waived. Those documents should likewise be ordered to be produced, as they directly relate to the concerns that were raised by the defendants and the Court at the May 11, 2016 hearing on the Court’s Second Order to Show Cause.

Notably, Plaintiff signed the Litigation Funding Agreement on November, 11, 2016, which was the same date that she submitted her Application To Proceed In District Court Without Prepaying Fees Or Costs (IFP Application). Aside from submitting her IFP Application on the District of Colorado form, Plaintiff failed to disclose the Funding Agreement with Litigation Management Services, or her trust fund, which she testified to having at the May 11, 2017 hearing on the Second Order to Show Cause.

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<sup>1</sup> Dave Biscobing is an investigative reporter in Phoenix, Arizona, who has covered similar cases filed in that state.

<sup>2</sup> Because the Court has not yet ruled on whether to order the release of this agreement, as well as other agreements that Plaintiff and her counsel have argued are confidential, the Litigation Funding Agreement is hereby filed under seal.

Based on the terms of the Litigation Funding Agreement, both Advocates for Individuals with Disabilities Foundation (“AID”), and Litigation Management Services, (“LitManCo”) are responsible for attorney’s fees and are therefore required parties under Fed.R.Civ.P.19, since the Court cannot accord complete relief among the existing parties without their presence as parties, and because both entities have a direct interest in these cases.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: /s/ Anna E. Indahl

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-and-

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WE HEREBY that on the 15th day of May, 2017, we filed the foregoing electronically through the CM/ECF system, which caused all parties or counsel of record to be served by electronic means, as more fully reflected on the Notice of Electronic Filing.

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: /s/ Anna E. Indahl  
Anna E. Indahl

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